

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF)	
THE FUEL ADJUSTMENT CLAUSE OF)	CASE NO.
KENTUCKY UTILITIES COMPANY FROM MAY 1,)	2003-00455
2003 TO OCTOBER 31, 2003)	

COMMISSION STAFF'S INTERROGATORIES AND REQUESTS
FOR PRODUCTION OF DOCUMENTS TO
KENTUCKY UTILITIES COMPANY

Pursuant to Administrative Regulation 807 KAR 5:001, Commission Staff requests that Kentucky Utilities Company ("KU") file the original and 4 copies of the following information with the Commission within 14 days of the date of this request, with a copy to all parties of record. Each copy of the information requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information should be provided for total company operations and jurisdictional operations, separately.

1. Refer to KU's response to Item 2 of the Commission's December 19, 2003 Order.

- a. Provide the dispatch order for KU's coal-fired generating units.
- b. Provide a detailed explanation for why the Green River generating station had a capacity factor of only 29.7 percent.

2. Refer to the response to Item 3 of the Commission's December 19, 2003 Order, which shows KU's commitment from OVEC between 45 and 55 megawatts during the review period. Provide a description of the nature of that commitment and the period of time that KU expects to continue to receive this level of power from OVEC.

3. Refer to the response to Item 5 of the Commission's December 19, 2003 Order, pages 15 through 18. Each of the Green River generating units had in excess of 1,000 hours of forced outages during the review period. KU's recent general rate application indicates that it plans to retire Units 1 and 2 in early 2004.¹ Provide a detailed description of the problems experienced at the Green River station, the actions taken to remedy those problems, and the basis for the decision to retire Units 1 and 2.

4. Refer to the response to Item 6 of the Commission's December 19, 2003 Order, pages 1, 5, 10, 11, and 12. Each of the contracts identified on those pages shows an expiration date of December 31, 2003.

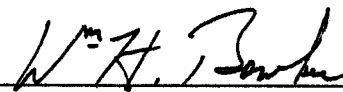
- a. Explain whether each of the five contracts expired at the end of calendar year 2003.

¹ Case No. 2003-00434, Application of Kentucky Utilities Company for an Adjustment of the Electric Rates, Terms and Conditions, Volume 4 of 6, the Testimony of S. Bradford Rives, page 15.

b. For any contract that expired, describe KU's strategy for replacing the coal that was being delivered under the contract.

5. Refer to page 9 of the response to Item 6 of the Commission's December 19, 2003 Order, which includes information on contract KUF02849 with Arch Coal Sales Company, Inc. Items I and K of the response appear to contradict each other as to the current price KU is paying under the contract. Clarify whether KU is currently paying the 2004 price of "151.64 cents per MMBtu" shown in Item I or the current price of "183.33 cents per MMBtu" shown in Item J.

6. Refer to page 21 of the response to Item 6 of the Commission's December 19, 2003 Order. Provide a description of the coals provided under this contract which meet the requirements of "Quality A" and "Quality C," respectively.


for Thomas M. Dorman
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, Kentucky 40602

DATED: January 28, 2004

cc: Parties of Record